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FIRST EVALUATION OF THE TRADE POINT PROGRAMME: INTERIM REPORT

Note by the UNCTAD secretariat

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**FIRST EVALUATION OF THE TRADE POINT PROGRAMME:
INTERIM REPORT**

1. The active phase of the Trade Point Programme started in early 1993, when the secretariat became able to respond to a significant number of requests from member countries to install Trade Points. Missions were organized to the interested countries to respond to questions from potential users and participants, and to launch the process of setting up Trade Points. Annex I provides an outline of a typical Trade Point first mission.

2. In carrying out such missions, the secretariat made it clear that only very limited outside resources could be mobilized to assist countries in setting up their Trade Points and that, at least in an initial phase, the resources required would need to be found locally. In practically all cases, interested countries have proved able to mobilize public authorities and private organizations to provide the premises, equipment and financial resources necessary to install and launch a Trade Point.

3. As a result, the number of Trade Points installed or in the process of being installed is currently significantly higher than anticipated last year. Annex II provides a "status report" of the current situation. Four Trade Point can be considered as fully operational (Cartagena, Tunis, Bangkok and Columbus). Several more are expected to be inaugurated and to start operating before the end of 1993 (in Algeria, Argentina, Belarus, Bolivia, Chile, China, Egypt, Germany, India, Indonesia, Philippines, Portugal, Senegal, and the United Kingdom). In addition, the Government of Finland has decided not only to create a national Trade Point but also to support the creation of an Estonian and a Ukrainian Trade Point.

4. As a first step, countries creating Trade Points have initiated local Trade Efficiency Associations. These non-profit organizations will oversee the management of the Trade Points. As soon as they are created, these local associations become members of the International Federation of Trade Efficiency Associations (IFTEA) which is the Geneva-based non-profit organization responsible for the smooth coordination and interconnection of Trade Points.

5. Preliminary experience shows that it takes between 12 and 18 months for a Trade Point to yield its full potential. For financial reasons, the programme of missions to assist in establishing Trade Points started only in the first quarter of this year. It is, however, possible and important for the work of the Ad Hoc Working Group that all available information on the steps taken and difficulties faced by those who have been directly involved in setting up and running Trade Points be brought to the attention of delegations. This will be done through the oral presentations made by those directors and coordinators of Trade Points wishing to do so at the second session.

6. The presentations and discussions will allow the Working Group to address the following questions, which are of particular interest to those countries which have just started establishing Trade Points, or are considering doing so:

- How to set up a Trade Point: legal, institutional and practical problems;

- How to associate the local or national trading community in the creation of a Trade Point;

- Collection, processing and dissemination of trade information;

- Relationships among Trade Points (exchange of services, invoicing, etc);

- Information to be provided by the Pilot Trade Points to the Symposium (questionnaires);

- Participation of service providers (Customs, transport, banks, insurance, etc).

On each of these points, comments and questions will be invited from the Working Group.

Annex I

TYPICAL FIRST TRADE POINT MISSION

Background information for the organizers and participants

1. UNCTAD's Trade Efficiency Programme will establish a worldwide network of trade facilitation centres, called Trade Points.

2. A Trade Point is a centre uniting under one roof (physical or virtual) all the services and participants involved in international trade. Thus, new trading opportunities are encountered, Customs and administrative procedures are completed and trade transactions are fulfilled all in one location. This will be made possible largely through the use of the latest multimedia technology.

3. Trade Points will benefit both external and internal trade in those countries where they will be established by:

- Assisting traders in finding new market opportunities;
- Opening international trade to new participants, in particular small- and medium-sized enterprises;
- Reducing the cost of import and export procedures.

4. The Trade Point will also be a laboratory where:

- New trading procedures and methods will be elaborated and tested;
- The latest information and communication technologies will be applied to trade;
- Data banks will be made available and evaluated.

Objectives of the mission

5. The different steps in the setting-up of a Trade Point are the following:

1 - Present the project to the potential participants;

2 - Obtain an initial agreement as to the importance of the programme;

3 - Identify a national focal point responsible for the Trade Point;

4 - Select the participants;

5 - Find a suitable location;

6 - Create the legal environment for the Trade Point;

7 - Define the legal relationships with the participants;

8 - Define the organizational and practical rules of the centre;

9 - Create the local Trade Efficiency Association;

10 - Set up the necessary physical and technical installations;

11 - Inaugurate the centre.

6. The mission should contribute to the taking of as many steps as possible along this list. Points 1 to 3 should be achieved before the mission returns to Geneva.

Organization

7. The Trade Point aims at creating a meeting point between all participants, public and private (e.g. Customs, Chambers of Commerce, Ministry of Trade, transport companies, banks, insurance brokers), involved in a typical trade transaction.

8. The mission should allow a meeting with all the future participants in the Trade Point. It is important that a national counterpart be assigned from the very beginning to support UNCTAD representatives throughout the mission and to ensure a follow-up.

9. From the beginning of the process, as many potential participants as possible should be invited to take part in the discussions and in the setting-up of the Trade Point. For each sector (e.g. banking, transport) it will be important to have an open structure which will allow several providers to be present at the Trade Point. Emulation and competition will thus contribute to mobilizing the talents and energies available locally. It will then be the responsibility of the local authorities (possibly through the local Trade Efficiency Association) to establish rules and select participants on the basis of their performance and ability to help local traders to become more efficient.

10. Pending final decisions by local authorities, it is envisaged that the following should participate in the meetings:

Relevant Ministry(ies)
- Ministry of Foreign Affairs
- Ministry of Trade
- Other ministries?

Customs
Banks
Transporters
Insurers
Telecommunications
Chamber of Commerce
Port authorities (if relevant)
Trade facilitation body (ditto)
Business Associations (exporters, small- and medium-sized enterprises, ...)
Media, newspapers, journals

11. A typical two-and-a-half day mission is organized as follows:

Day 1:

9:00	Meeting with the national counterpart
11:00	Meeting with the ministerial focal point
15:00	General meeting with all participants (presentation, questions and answers)
17:00	Discussions with participants

Day 2:

9:00	Meeting with banks
11:00	Meeting with Customs, insurers and transporters
15:00	Meeting with providers of information, statistics and databases
17:00	Meetings with Ministries involved

Day 3:

10:00	Final meeting with the national counterpart
	Establishment of a timetable and programme of work

Annex II

TRADE POINT STATUS REPORT
5 October 1993

(Note: n.d.y. = no date yet)

Country	Status	Scheduled start-up date
Algeria	Government request submitted to UNCTAD on 02.12.92. TP being set up in Algiers.	12.93
Argentina	Government request submitted to UNCTAD on 24.08.92. TPs being set up in Santa Fé and Rosario.	12.93
Armenia	To be established within a World Bank technical assistance project.	n.d.y.
Bangladesh	Government request submitted to UNCTAD on 24.04.92.	n.d.y.
Belarus	Government request submitted to UNCTAD on 15.03.93. TP to be set up in Minsk.	end 93
Bolivia	TP operating in Cochabamba.	09.93
Brazil	Government request submitted to UNCTAD on 25.01.93.	n.d.y.
Canada	Government request submitted to UNCTAD on 20.01.93.	n.d.y.
Chile	Trade Point to be set up in Santiago.	n.d.y.
China	Government request submitted to UNCTAD on 05.12.92. TP to be set up in Shanghai. Mission planned for August.	n.d.y.
Colombia	Cartagena in operation since February 1992. 52 more towns have requested TPs. Bogotá Cali	02.92 end 93 end 93
Ecuador	Contacts established with Cartagena TP.	n.d.y.
Egypt	Government request submitted to UNCTAD on 20.11.92. TP being set up in Cairo.	end 93

Estonia	(see Finland)	n.d.y.
Finland	Planning to set up TP in Helsinki and considering financing TPs in Ukraine and Estonia. Feasibility studies carried out in May.	n.d.y.
Gabon	Government request submitted to UNCTAD on 16.03.93.	n.d.y.
Georgia	Proposal for creation of a TP within a World Bank technical assistance project.	n.d.y.
Germany	Government request submitted to UNCTAD on 20.11.92. TP to be set up in Rostock.	end 93
Honduras	Contacts established with Cartagena TP. TP to be established in Tegucigalpa.	n.d.y.
Hungary	Government request submitted to UNCTAD on 08.04.93.	01.94
India	Government request submitted to UNCTAD on 29.07.92.	n.d.y.
Indonesia	Government request submitted to UNCTAD on 29.03.93.	end 93
Iran, Islamic Republic of	Government request submitted to UNCTAD on 15.12.92.	n.d.y.
Kenya	Government request submitted to UNCTAD on 06.05.92.	n.d.y.
Morocco	Government request submitted to UNCTAD on 04.11.92. TP to be set up in Casablanca.	n.d.y.
Panama	Government request submitted to UNCTAD on 3.09.92.	n.d.y.
Peru	Contacts established with Cartagena TP.	n.d.y.
Philippines	Government request submitted to UNCTAD on 18.01.93.	end 93
Portugal	First contacts with Government established in January 1993. TP to be set up in Porto.	end 93
Russian Federation	First contacts with Government established in May 1993.	n.d.y.
Senegal	Government request submitted to UNCTAD on 24.03.93.	n.d.y.

Singapore	Government request submitted to UNCTAD on 18.12.92. TP being set up.	11.93
Slovenia	Government request submitted to UNCTAD on 23.03.93.	n.d.y.
Sri Lanka	Government request submitted to UNCTAD on 06.01.93.	n.d.y.
Switzerland	Government request submitted to UNCTAD on 20.11.92.	n.d.y.
Thailand	Government request submitted to UNCTAD on 14.12.92.	end 93
Tunisia	Government request submitted to UNCTAD on 20.11.92. TP operating in Tunis.	07.93
Ukraine	(see Finland).	n.d.y.
United States	Government request submitted to UNCTAD on 20.11.92. Virtual TP being set up in Columbus, Ohio.	11.93
Venezuela	Has established direct contacts with Cartagena. Intends to create several TPs.	n.d.y.